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FIRST COUNTRY COOPERATION FRAMEWORK FOR BOTSWANA (1997-2002)

CONTENTS

	Paragraphs	Page
INTRODUCTION	1 - 3	2
I. DEVELOPMENT SITUATION FROM A SUSTAINABLE HUMAN DEVELOPMENT PERSPECTIVE	4 - 11	2
II. RESULTS AND LESSONS OF PAST COOPERATION	12 - 14	5
III. PROPOSED STRATEGY AND THEMATIC AREAS	15 - 23	5
A. Poverty alleviation and job creation	16 - 17	6
B. Gender equity	18 - 19	6
C. HIV/AIDS	20 - 21	7
D. Environment	22 - 24	7
IV. MANAGEMENT ARRANGEMENTS	25 - 27	8
Annex. Resource mobilization target table for Botswana (1997-2002)		10

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INTRODUCTION

1. Botswana is a landlocked country with a total area of 582,000 square kilometres. More than two thirds of the country is covered by the Kalahari Desert. Much of the country is flat, and in the north-west, the Okavango River drains inland from Angola to form the Okavango Delta. Out of a population of 1.5 million, almost 50 per cent live in urban areas. While its agricultural potential is limited, Botswana is well-endowed with mineral resources, particularly diamonds. To broaden the country's economic opportunities, the Government of Botswana increasingly has placed emphasis on promoting sustainable economic diversification. Botswana has a long history of democratic practices and good governance.

2. Based on the draft country strategy note (1997-2003) and the UNDP advisory note, the first country cooperation framework (CCF) for Botswana, covering the period 1997-2002, is the result of close consultations between the Government of Botswana, UNDP and other stakeholders. Working papers for the Government's Eighth National Development Plan, 1997-2003 (NDP 8), including situation analyses of all major national development issues, provided the context for the development of an overall strategic framework for improving the efficiency, effectiveness and coherence of UNDP development cooperation in the country in areas that would best exploit the organization's comparative advantages.

3. Furthermore, the CCF takes into account the Government's commitment to attaining the global goals and objectives of the major United Nations conferences of the past decade, specifically, the Fourth World Conference on Women (1995), the International Conference on Population and Development (1994), the United Nations Conference on Environment and Development (1992), the World Summit for Social Development (1995), and the World Summit for Children (1990). Botswana has already made considerable strides in fulfilling many of the commitments of the global conferences.

I. DEVELOPMENT SITUATION FROM A SUSTAINABLE HUMAN DEVELOPMENT PERSPECTIVE

4. A generally solid framework of domestic policies has helped Botswana to make enormous progress in terms of sustainable human development (SHD). Botswana was able to realize the potential economic gains from the mining of diamonds through sound economic policies and careful macroeconomic management. Between 1966 and 1991, Botswana had an average annual economic growth rate of approximately 13 per cent, which was among the highest in the world. Real per capita income increased ninefold over the same period, standing at five times the average for sub-Saharan Africa in 1991. By the end of 1995, the country had foreign exchange reserves of $4.89 billion, enough to meet 25 months of import needs. Rapid economic growth has provided the basis for increasing employment and incomes. Government policies emphasizing inclusiveness and the sharing of the benefits have supported rapid improvements in the living situation of the population.

5. The Government has looked to the private sector to undertake productive activities and has focused its inputs on providing public infrastructure and services and establishing a supportive enabling environment. Well-conceived national development plans have provided the vehicle for the Government to reinvest revenue from the production of diamonds in infrastructure, public services and human resource development. Public investments are scrutinized with regard to sustainability. In establishing fiscal policy, a consistent effort has been made to avoid taking on unsustainable levels of recurrent expenditure. Economic growth and sustained public investment in human resource development largely eliminated the earlier dependence on foreign aid, and most management and technical positions in the civil service are now occupied by citizens. There has also been increased participation by citizens in the private sector, both as investors and employees.

6. After many years of sustained improvement, Botswana's national human development indicators are among the best in sub-Saharan Africa. According to the Human Development Report 1996, in terms of its human development index, Botswana ranks third in sub-Saharan Africa and seventy-first in the world. Government statistics show that some 90 per cent of the population in the country now live within 15 kilometres of a reasonably well-run health facility, and more than 80 per cent of children have access to free basic education. Based on the 1991 census, Botswana's under-five mortality rate is 56 per 1,000 live births. National Nutrition Surveillance System data reveal that an estimated 12.6 per cent of children were suffering from malnutrition in early 1996, only 0.6 per cent of whom were severely malnourished. According to these statistics, the national under-five mortality rate is less than one third the average for sub-Saharan Africa, and the incidence of child malnutrition is less than one half that for sub-Saharan Africa. Investment in water supply has brought safe water to nearly 90 per cent of households. A system of social safety nets, including large-scale relief schemes at times of drought, has helped to provide support for the needy and to prevent starvation and deprivation during drought.

7. During the 1990s economic growth has slowed to an average rate of an estimated 5 per cent per annum, mainly because of the reduced rate of expansion of the diamond market globally. Diamond production and other mining activities account for approximately one third of Botswana's gross domestic product and three quarters of exports. Slower economic growth has posed new questions about the future sustainability of Botswana's development. While it is conceivable that Botswana could try to boost economic activity over the short- or medium-term by drawing down some of its considerable foreign exchange reserves, the country will not be able to sustain the higher level of economic activity unless it is accompanied by an improvement in implementation capacity and by increasing productivity in both the private and public sectors. The Government recognizes that Botswana will have to find new sources of growth by diversifying the economy into non-traditional sectors such as manufacturing, tourism and other services. The improvement of productivity and enhancement of international competitiveness have been identified as some of the critical conditions of success.

8. Although the Government has registered major economic and social successes in the past, it still faces challenges, both old and new, including in the areas

of poverty and unemployment, gender inequity, the protection of the environment and HIV/AIDS. According to a recent study of poverty and poverty alleviation in Botswana commissioned by the Ministry of Finance and Development Planning and conducted by the Botswana Institute for Development Policy Analysis, a national non-governmental organization (NGO), 47 per cent of the population (38 per cent of all households) were living below the poverty line in 1993-1994. Poverty was greatest in rural areas, where Botswana's weak natural resource base for agriculture translates into fewer economic opportunities. Unemployment and insufficient income-earning opportunities were found to be some of the most immediate causes of poverty. Furthermore, a high rate of population growth represents a constraint to SHD and poverty reduction. As a result of socio-cultural and other biases, female-headed households are especially vulnerable to poverty. Although the incidence of poverty remains high, there has been substantial improvement since 1985-1986, when 59 per cent of the population (49 per cent of households) were living below the poverty line. Much of the improvement is attributable to the Government's policies for employment creation and provision of infrastructure and services.

9. The Government recognizes that poverty alleviation, employment creation, gender empowerment, the prevention and mitigation of the impact of HIV/AIDS and the sustainability of the environment are cross-cutting issues that require an integrated and holistic approach. Poverty cannot be alleviated without the creation of productive employment. Gender equity cannot be achieved in the absence of equal access to income-generating activities. Conservation of the environment is central to long-term, sustainable development. Moreover, as the HIV/AIDS epidemic matures, it threatens to have enormous adverse socio-economic consequences for Botswana, the implications of which are not yet fully understood.

10. Botswana's past development experience has shown that employment creation is the most important means by which to spread the benefits of development equitably among the population. During NDP 8, the Government will focus on five broad development priorities: economic diversification, job creation and poverty alleviation; policy reform and strengthening the capacity of the public sector; provision of economic infrastructure and associated cost-recovery; human resource development and population policy; and rural development, agriculture, environment and land-use policies. The cross-cutting issue of gender equity is an important element underlying all of the Government's priorities. Alongside the preparation of NDP 8, a presidential task group has been developing the framework for establishing a long-term vision to guide Botswana's development over the next 20 years. It is expected that, when finalized, the framework will provide an updated set of long-term national goals and strategies to be pursued through NDP 8 and subsequent national development plans. It is considered that the priorities of NDP 8 will not only serve as a sound and prudent national development plan but will also encapsulate the overall plan for sustainable human development in Botswana.

11. Democracy in South Africa and the end of the Cold War have brought about a considerable change in the Southern African region. With the exception of Angola, which is still in the process of negotiating a permanent end to civil war, all of the countries in the region are now at peace, and there has been a general convergence towards more market-oriented economic policies, with growing

emphasis on the importance of regional trade and economic cooperation. There is now a much improved basis for regional cooperation in almost all fields, through the Southern African Development Community, the Southern African Customs Union and other regional arrangements. As a market for Botswana's exports, the Southern African region now represents major new potential for economic growth. Botswana's capacity to realize this opportunity will depend on its ability to rise to the challenge of freer trade and heightened regional and global competition, as well as its capacity to strengthen and deepen its relationships with other countries of the region.

II. RESULTS AND LESSONS OF PAST COOPERATION

12. The overall focus of the fifth country programme, 1992-1996, was on institution- and capacity-building. Reduction of the widespread shortage of skilled human resources, particularly in technical and managerial fields, was identified as the major overall objective. UNDP support covered three main areas, namely, human resource development, natural resource conservation and use, and public administration and management.

13. The 1994 mid-term review of the fifth country programme found that UNDP support continued to be relevant to Botswana's needs. It was also observed that there were problems regarding the sustainability of some of the UNDP-supported institution- and capacity-building activities, for example, in training projects to support human resource development and improved public administration and management. Among the main reasons cited for these problems were the shortage of counterparts and weaknesses in coordination between government agencies. It was also observed that more effort was needed to ensure that end-users benefited from UNDP support for natural resource conservation and utilization. It was recommended that, for the remainder of the cycle, end-user linkages in each programme area be prioritized so that the project outputs reached the intended beneficiaries. Activities to enhance national capacity-building and ensure maximum programme impact and sustainability were also recommended.

14. Under the fifth country programme, the Government agreed to take greater responsibility for programme execution by using the national execution modality. However, limited implementing capacity has made it difficult to make full use of the modality. Special emphasis will need to be placed on strengthened coordination and linkages among programmes and improved implementation, evaluation and monitoring capacity.

III. PROPOSED STRATEGY AND THEMATIC AREAS

15. In selecting the thematic areas for the first CCF, a careful analysis has been made of Botswana's current and emerging national priorities, their relationship to the UNDP mandate to build national capacity for SHD, and the results and lessons learned from past UNDP cooperation with the Government of Botswana. In addition, the activities of other bilateral and multilateral agencies and the private sector have been taken into consideration when identifying where future UNDP support can be most effective. The Government has requested that UNDP direct its support towards: (a) poverty alleviation and job

creation; (b) gender equity; (c) protection of the environment; and (d) HIV/AIDS. Work in each of the four thematic areas will directly address fundamental aspects of SHD, poverty reduction and attainment of the global commitments and goals. There are critical linkages between the respective thematic areas, such that progress in one area will generally contribute towards progress in another. For example, gender equity, conservation of the environment and control of HIV/AIDS are each critical to poverty alleviation. Similarly, there are strong links between the overall well-being of women and the spread of HIV/AIDS. On the basis of such linkages, the four thematic areas together address a critical mass of fundamental requirements for promoting SHD in Botswana.

A. Poverty alleviation and job creation

16. Government policies and programmes have done much to alleviate poverty, both by creating employment and through social provisions. However, as mentioned above, poverty continues to be a major problem. With the support of UNDP, the Government has been reviewing the effectiveness of some of its existing poverty alleviation policies and programmes, including identification of the nature, extent and causes of poverty.

17. UNDP will support the development and implementation of an integrated national poverty alleviation strategy. As discussed in paragraph 8 above, a detailed analysis of poverty and poverty alleviation strategies through a UNDP-supported government study that examined poverty on a gender-disaggregated basis has been undertaken. UNDP will support the implementation of the study's recommendations, involving the enhancement of existing policies and programmes, strengthening the institutional framework for poverty alleviation, and improving poverty monitoring. The follow-up to the study will be implemented by Government, with UNDP support, as part of NDP 8. Implementation is expected to span several national development plans, with a possible overall time-frame of 10-20 years. Within the context of this integrated poverty alleviation strategy, UNDP will also support employment creation through a training programme for operators of small- and medium-scale enterprises, 40 per cent of which will be owned by women, through Enterprise Botswana. The development of enterprises and entrepreneurship are central to Government's new Industrial Development Policy. United Nations Volunteers (UNVs) will be integrated into community-based approaches to poverty alleviation and income-generating activities, including providing support for participatory activities.

B. Gender equity

18. The Government is committed to developing comprehensive approaches to address gender issues. The Government and the NGO community have identified seven priority areas from the Platform for Action of the Fourth World Conference on Women for implementation in Botswana, namely: poverty; women's representation in decision-making and politics; human rights; education and training; health; the girl child; and violence against women. Through Botswana's previous country programme, UNDP funded strategic aspects of work on gender equity. For example, UNDP facilitated the creation of the Women's NGO

Coalition and assisted the Government to prepare for the Fourth World Conference on Women in Beijing. UNDP, together with the United Nations Population Fund, is now supporting the preparation of a National Gender Programme by the Ministry of Labour and Home Affairs in cooperation with the NGO community.

19. UNDP support will include: integrating gender concerns within the other thematic areas; providing support for the implementation of the National Gender Programme, having previously facilitated the process of its formulation; providing support for the implementation of the recommendations of the poverty study; strengthening efforts to combat conflict and violence against women; continuing to promote legal and administrative reforms to remove biases against women; helping to improve women's participation in decision-making and politics; and strengthening capacity in the Government and the NGO community to promote gender equity.

C. HIV/AIDS

20. The Government recognizes that HIV/AIDS is a major challenge to SHD in Botswana. While the rate of HIV/AIDS infection continues to increase, particularly among women, the consequences of HIV and AIDS are only now becoming discernible. The situation is expected to result in major distress at the household and community levels. The epidemic is also expected to adversely affect social and economic performance. In order to meet this challenge, the Government's Medium-Term Plan II for addressing HIV/AIDS will focus on two major objectives: preventing the spread of HIV; and mitigating the impact of HIV and AIDS at all levels of society.

21. UNDP will continue to support activities aimed at arresting the spread of the epidemic and mitigating its consequences. Given that HIV/AIDS cuts across virtually all aspects of development, UNDP will adopt a two-part strategy of integrating HIV/AIDS into all of its activities and providing support for vertical programmes. UNDP support will be provided under the umbrella of a common programme framework developed by the United Nations Theme Group on HIV/AIDS. Four areas of the Government's Medium-Term Plan II were identified for United Nations-system support. UNDP will focus its attention on three of those areas: (a) strengthening central- and district-level government institutional capacity and NGOs, together with reviewing the needs and preparedness of key institutions to respond to the likely impact of HIV/AIDS; (b) strengthening applied research capacity; and (c) supporting efforts to combat HIV within organized target groups by promoting cooperation among civil, military, police and prison authorities and training activities. A major focus of the programme will include support for communities, NGOs and community-based organizations, through the use of the services of UNVs.

D. Environment

22. Within the concept of SHD there are critical linkages between the environment and development. Botswana's environmental policies are generally consistent with the goals set by the United Nations Conference on Environment and Development. The National Conservation Strategy was approved in 1990 and

subsequently the National Conservation Strategy Agency (NCSA) was established to provide overall coordination for its implementation. Five priority areas for follow-up have been identified by the Government, namely, range-land degradation, water, wood depletion, wildlife depletion and the negative impact of high population growth.

23. UNDP will support the operationalization and implementation of elements of the National Conservation Strategy. This will include providing strategic and institutional assistance to strengthen NCSA, improve national environmental monitoring systems and produce the mandated State of the Environment Review. UNDP will build on the success of Botswana's ongoing support for community-based natural resource management, which has great potential to benefit women at the grass-root level. Support will also be provided for strengthening national management of wetlands. UNDP-supported interventions will include public education measures to raise awareness about the environment.

24. UNDP support will complement several activities to be funded by the Global Environment Facility (GEF). GEF activities include: developing capacity for the conservation and protection of the Okavango Delta; helping the Government to meet its obligations under global conventions concerned with the environment; and supporting NGO and community-based environmental protection activities under the GEF Small-Grants Programme. Protection of the environment and adoption of environmentally sustainable approaches to the use of natural resources will make important contributions to realizing the long-term economic and employment-creation potential of tourism.

IV. MANAGEMENT ARRANGEMENTS

Management of the cooperation framework

25. The main instruments for implementing the CCF will be the programme approach and the national execution modality. To enhance management capacity at both national and district levels, the Government and UNDP jointly will develop appropriate programmes. To ensure ownership and the sustainability of development, national execution will continue to be the main execution modality, which, in turn, will also help to develop the capacity of national institutions in programme implementation and management. UNDP resources will continue to be used for advisory, administrative and logistical services in support of programme implementation, especially for programmes that are nationally executed.

26. In the implementation of UNDP-assisted programmes, the Government will seek partnership with NGOs, local authorities and the private sector. As much as possible, the Government will engage national experts to work on the programmes. Only when national expertise is inadequate will resources be drawn from the UNV programme, NGOs, and the United Nations International Short-term Advisory Resources, Transfer of Knowledge Through Expatriate Nationals and technical cooperation among developing countries facilities. UNDP will continue to promote a work culture of professional excellence.

Monitoring and programme review

27. Each year the newly established Government of Botswana (Ministry of Finance and Development Planning)/United Nations System Strategic Management Committee will conduct a joint review of implementation of the CCF as part of its annual review of United Nations activities in Botswana. An in-depth review, including thematic monitoring of progress in key aspects of SHD, will be undertaken every two years. In addition, steering committees will be established to oversee progress in each of the thematic areas.

Resource mobilization strategy and targets

28. The Government of Botswana and UNDP will continue their cost-sharing partnership to fund the programmes under the first CCF. Total core and non-core resource mobilization targets are shown in the annex. The Government and UNDP have reached a mutual understanding on a cost-sharing formula, which will be reviewed at the mid-point of the current CCF period. Moreover, the mobilization of resources from the donor community and private sector will continue. Resources will be allocated in a manner that will ensure the greatest impact.

Annex

RESOURCE MOBILIZATION TARGET TABLE FOR BOTSWANA (1997-2002)

(In thousands of United States dollars)

Source	Amount	Comments
UNDP CORE FUNDS		
Estimated IPF carry-over	1 351	
TRAC 1.1.1	2 326	Assigned immediately to country.
TRAC 1.1.2	0 to 66.7 per cent of TRAC 1.1.1	This range of percentages is presented for initial planning purposes only. The actual assignment will depend on the availability of high-quality programmes. Any increase in the range of percentages would also be subject to availability of resources.
Other resources	300	TCDC
SPPD/STS	121	
Subtotal	4 098 a/	
NON-CORE FUNDS		
Government cost-sharing	41 000	
Sustainable development funds	4 020	GEF
Third-party cost-sharing	3 000	
Funds, trust funds and other	1 400 of which: 900 200 300	
Subtotal	49 420	
GRAND TOTAL	53 518 a/	

a/ Not inclusive of TRAC 1.1.2, which is allocated regionally for subsequent country application.

Abbreviations: GEF = Global Environment Facility; IPF = indicative planning figure; TCDC = technical cooperation among developing countries; SPPD = support for policy and programme development; STS = support for technical services; TRAC = target for resource assignment from the core; UNIFEM = United Nations Development Fund for Women; and UNV = United Nations Volunteer programme.